

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Natural Resources

AGENDA NO.: 1

AGENCY: Office of Secretary

ANALYST: Drew Danna

| <u>Means of Financing</u> | | <u>Expenditures by Program</u> | | <u>T. O.</u> |
|---------------------------|---------------------------|--------------------------------|---------------------------|-----------------|
| State General Fund: | \$0 | Executive | \$3,805,119 | 0 |
| Interagency Transfers: | \$0 | Management & Finance | \$0 | 0 |
| Self-Generated Revenue: | \$0 | Technology Assessment | \$0 | 0 |
| Statutory Dedications: | \$3,805,119 | Atchafalaya Basin | \$0 | 0 |
| Federal Funds: | \$0 | Auxiliary Account | \$0 | 0 |
| Total | <u>\$3,805,119</u> | Total | <u>\$3,805,119</u> | <u>0</u> |

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to allow the Oilfield Site Restoration Fund (OSR) to plug at least an additional 23 orphaned wells and provide additional resources for plugging current orphaned well projects in FY 15 and beyond. The OSR is a statutory dedicated fund designed to plug oil and gas wells from leaking after they have been orphaned to prevent any leaks or contamination of areas surrounding the well. Orphaned wells are assigned different priority levels based upon the threat they pose to a surrounding population or ecosystem. High-priority wells are found near/under bodies of water, near populated areas, wells that are leaking, or that have structurally deteriorated so severely that their need to be plugged or removed is deemed immediate. It is funded by a flat-fee on oil and gas production in LA which is paid to the Fund quarterly.

Because of a contractual delay for a project in Vermillion Parish at the end of FY 14, the OSR had to spend \$2.8 M from the Emergencies, Change Orders, & Future Projects portion of their budget to pay for the project in FY 15 (July 2014). The project was initially expected to begin at the end of FY 14. A delay associated with obtaining a performance bond prevented the initiation of the project. These project funds were not eligible to be carried forward into FY 15 via the carry forward BA-7 process. This severely reduced the FY 15 Emergencies, Change Orders, & Future projects budget, which was created to cover expenses for any planned pluggings that will require more funding than initially estimated or any emergency pluggings that arise unexpectedly.

Additionally, OSR has been plugging more high-priority wells, which have higher costs than normal pluggings, creating a higher than anticipated burden on the budget. At the end of the first quarter of FY 15, 30 wells have been plugged, 19 of which were deemed high-priority. Should this BA-7 be approved, the unappropriated fund balance for the Oilfield Site Restoration Fund will be \$1.8 M after FY 15 collections are realized.

Note: An orphaned well is a term used to describe wells that no longer have a responsible party to manage or keep the well compliant with the environmental and safety standards put in place by the Office of Conservation. An orphaned well is different than a capped well, because capped wells still have a responsible party to maintain the wells, even though the wells are not currently in service. Orphaned wells can be reopened at a later date if a new party purchases the well and keeps it maintained.

The table below displays the Total Funding Request for this BA-7.

| Project Field | Total Funding Requested |
|--|--------------------------------|
| LeLux & Perry Point | \$939,992 |
| Various Fields, Desoto Parish | \$102,810 |
| East Cameron Block 17 | \$175,000 |
| Napoleonville | \$8,000 |
| Wildcat | \$240,000 |
| Emergencies, Change Orders, & Future Projects | <u>\$2,339,317</u> |
| Total | <u>\$3,805,119</u> |

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The LeLux & Perry Point project requests \$939,992 to plug 6 wells (1 high-priority).

The Desoto and surrounding Parishes project contracted for \$313,377 to plug 13 wells. A total of \$102,810 is needed for the remainder of the project. (5 high-priority wells)

The East Cameron project was contracted for \$974,000 to plug 2 wells and remove one platform. A total of \$175,000 is needed for the remainder of the project.

The Napoleonville project requests \$8,000 to plug a bubbling well in a cane field. (high-priority)

The Wildcat project (Red River Parish) requests \$240,000 to plug a leaking well in a livestock pasture. (high-priority)

OSR requests \$2,339,317 in order to provide funding for emergencies and future projects that are currently unknown.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7

**LEGISLATIVE FISCAL OFFICE
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DEPARTMENT: Transportation & Development

AGENDA NO.: 2

AGENCY: Engineering & Operations

ANALYST: Alan M. Boxberger

| <u>Means of Financing</u> | | <u>Expenditures by Program</u> | | <u>T. O.</u> |
|---------------------------|-------------------------|--------------------------------|-------------------------|-----------------|
| State General Fund: | \$0 | Aviation | \$0 | 0 |
| Interagency Transfers: | \$0 | Bridge Trust | \$0 | 0 |
| Self-Generated Revenue: | \$0 | Planning & Programming | \$0 | 0 |
| Statutory Dedications: | \$680,881 | Operations | \$680,881 | 0 |
| Federal Funds: | \$0 | Marine Trust | \$0 | 0 |
| | | Engineering | \$0 | 0 |
| Total | <u>\$680,881</u> | Total | <u>\$680,881</u> | <u>0</u> |

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to appropriate funds to provide for the operational and maintenance costs of the New Orleans ferries formerly operated by the Crescent City Connection Division. Act 247 of 2013 created the Geaux Pass Transition Fund (GPTF) and stipulated that previously unclaimed monies in Geaux Pass accounts should be deposited into the fund on 6/30/2014, once the State Treasurer had made reasonable efforts to refund any monies on deposit to the Geaux Pass account owner.

Act 247 stipulated that 30% of the monies in the GPTF as of 6/30/2014, shall be appropriated to DOTD for the operational and maintenance costs of the New Orleans ferries. The balance of the GPTF is to be appropriated to the New Orleans Regional Planning Commission (RPC) to provide for lighting of the east and west approaches to the Crescent City Connection Bridge, improvements to ingress and egress points, lighting, maintenance, grass cutting and landscaping. DOTD requests appropriation of the ferry portion at the current time in FY 15, while the balance of funds to be sent to the Planning Commission are included in DOTD's budget request for FY 16.

The remaining balance in the GPTF on 6/30/2014, was \$2,269,605.85. This BA-7 seeks to appropriate 30%, or \$680,881, to the department to provide for the operational and maintenance costs of the New Orleans ferries.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

The balance of monies available in the GPTF for appropriation to the RPC in FY 16 will be approximately \$1.6 M and is included in DOTD's FY 16 budget request document.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Original: Not approved by JLCB

DEPARTMENT: Education

AGENDA NO.: 3

AGENCY: Recovery School District

ANALYST: Jodi Mauroner

| <u>Means of Financing</u> | | <u>Expenditures by Program</u> | | <u>T. O.</u> |
|---------------------------|----------------------------|--------------------------------|----------------------------|-----------------|
| State General Fund: | \$0 | RSD-Instructional | \$0 | 0 |
| Interagency Transfers: | \$27,555,745 | RSD-Construction | \$27,555,745 | 0 |
| Self-Generated Revenue: | \$0 | | | |
| Statutory Dedications: | \$0 | | | |
| Federal Funds: | \$0 | | | |
| Total | <u>\$27,555,745</u> | Total | <u>\$27,555,745</u> | <u>0</u> |

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget \$27,555,745 in Interagency Transfers from the Governor' Office of Homeland Security & Emergency Preparedness. The source of funding is federal FEMA funding. The funds will be used in accordance with the RSD School Facilities Master Plan for Orleans Parish (revised Oct. 2011) for the construction and refurbishment of 11 schools.

Three projects totaling \$9,800,848 are construction of new elementary schools; projected start dates are in March and April of 2015 and are expected to be completed between January and April of 2017.

| <u>School</u> | <u>BA-7 Funding Request</u> | <u>Projected Construction Start</u> | <u>Projected Completion</u> |
|---------------|-----------------------------|-------------------------------------|-----------------------------|
| R. Abrams | \$2,958,338 | 4/11/2015 | 4/09/2017 |
| A. Alexander | \$ 630,000 | 3/30/2015 | 4/09/2017 |
| E. Morial | \$6,212,510 | 3/02/2015 | 1/04/2017 |

Eight projects totaling \$17,754,897 are elementary schools that are being refurbished including renovations to structures, windows, doors, masonry walls and roofs. In some cases window renovations are scheduled to coincide with summer break to avoid student disruptions. The RSD projects that Jackson, Rosenwald and McDonogh 28 will be completed in FY 16 and the remaining projects in FY 17.

| <u>School</u> | <u>BA-7 Funding Request</u> | <u>Projected Construction Start</u> | <u>Projected Completion</u> |
|-----------------------|-----------------------------|-------------------------------------|-----------------------------|
| A.L. Bauduit * | \$1,760,399 | 9/26/2015 | 11/25/2016 |
| A. Jackson | \$2,300,650 | 3/23/2015 | 2/27/2016 |
| Gaudet * | \$ 757,729 | 12/14/2015 | 11/09/2016 |
| J. Rosenwald | \$1,368,242 | 4/09/2015 | 11/06/2015 |
| Lafayette | \$3,951,832 | 4/11/2015 | 11/07/2016 |
| Laurel * | \$2,549,785 | 9/26/2015 | 11/25/2016 |
| Live Oak | \$2,600,245 | 4/11/2015 | 10/10/2016 |
| McDonogh 28 | \$2,466,016 | 3/23/2015 | 2/17/2016 |

* These 3 projects are still pending FEMA approval and the RSD has indicated the projected construction start dates have been rescheduled to FY 16 due to the approval delay. LFO recommends reducing the request by \$5,067,912 for these 3 projects.

Of the remaining projects, anticipated FEMA reimbursement dates have been adjusted resulting in a revised funding request as reflected below. The LFO recommends reducing funding for these projects by \$4,457,012.

| <u>School</u> | <u>Revised Funding Request</u> | <u>Difference</u> |
|---------------|--------------------------------|-------------------|
|---------------|--------------------------------|-------------------|

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Original: Not approved by JLCB**

| | | |
|-------------|-------------|---------------|
| A. Jackson | \$1,533,768 | (\$ 766,882) |
| Lafayette | \$2,239,371 | (\$1,712,461) |
| Live Oak | \$1,444,580 | (\$1,155,665) |
| McDonogh 28 | \$1,644,012 | (\$ 822,004) |

Due to the delays in the FEMA approval process, the LFO recommends reducing the total amount of this BA-7 by \$9,524,924 to \$18,030,821.

II. IMPACT ON FUTURE FISCAL YEARS

Funding for projects which have been reduced in this BA-7 will likely be included in the RSD operating budgets for FY 16 and thereafter.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 in the reduced amount of \$18,030,821 due to delays in the FEMA approval process and ensuing rescheduled construction dates for the various projects.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Amended: Approved by JLCB**

DEPARTMENT: Education

AGENDA NO.: 3

AGENCY: Recovery School District

ANALYST: Jodi Mauroner

| <u>Means of Financing</u> | | <u>Expenditures by Program</u> | | <u>T. O.</u> |
|---------------------------|----------------------------|--------------------------------|----------------------------|-----------------|
| State General Fund: | \$0 | RSD-Instructional | \$0 | 0 |
| Interagency Transfers: | \$18,030,821 | RSD-Construction | \$18,030,821 | 0 |
| Self-Generated Revenue: | \$0 | | | |
| Statutory Dedications: | \$0 | | | |
| Federal Funds: | \$0 | | | |
| Total | <u>\$18,030,821</u> | Total | <u>\$18,030,821</u> | <u>0</u> |

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget \$27,555,745 in Interagency Transfers from the Governor' Office of Homeland Security & Emergency Preparedness. The source of funding is federal FEMA funding. The funds will be used in accordance with the RSD School Facilities Master Plan for Orleans Parish (revised Oct. 2011) for the construction and refurbishment of eleven schools.

Three projects totaling \$9,800,848 are construction of new elementary schools; projected start dates are in March and April of 2015 and are expected to be completed between January and April of 2017.

| <u>School</u> | <u>BA-7 Funding Request</u> | <u>Projected Construction Start</u> | <u>Projected Completion</u> |
|---------------|-----------------------------|-------------------------------------|-----------------------------|
| R. Abrams | \$2,958,338 | 4/11/2015 | 4/09/2017 |
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| <u>School</u> | <u>BA-7 Funding Request</u> | <u>Projected Construction Start</u> | <u>Projected Completion</u> |
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| Live Oak | \$2,600,245 | 4/11/2015 | 10/10/2016 |
| McDonogh 28 | \$2,466,016 | 3/23/2015 | 2/17/2016 |

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Of the remaining projects, anticipated FEMA reimbursement dates have been adjusted resulting in a revised funding request as reflected below. The LFO recommends reducing funding for these projects by \$4,457,012.

| <u>School</u> | <u>Revised Funding Request</u> | <u>Difference</u> |
|---------------|--------------------------------|-------------------|
|---------------|--------------------------------|-------------------|

November 21, 2014

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Amended: Approved by JLCB**

| | | |
|-------------|-------------|---------------|
| A. Jackson | \$1,533,768 | (\$ 766,882) |
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Due to the delays in the FEMA approval process, the LFO recommends reducing the total amount of this BA-7 by \$9,524,924 to \$18,030,821.

II. IMPACT ON FUTURE FISCAL YEARS

Funding for projects which have been reduced in this BA-7 will likely be included in the RSD operating budgets for FY 16 and thereafter.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 in the reduced amount of \$18,030,821 due to delays in the FEMA approval process and ensuing rescheduled construction dates for the various projects.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Wildlife & Fisheries

AGENDA NO.: 4

AGENCY: Office of Secretary

ANALYST: Drew Danna

| <u>Means of Financing</u> | | <u>Expenditures by Program</u> | | <u>T. O.</u> |
|---------------------------|---------------------------|--------------------------------|---------------------------|-----------------|
| State General Fund: | \$0 | Administrative | \$0 | 0 |
| Interagency Transfers: | \$0 | Enforcement | \$1,921,647 | 0 |
| Self-Generated Revenue: | \$0 | | | |
| Statutory Dedications: | \$480,408 | | | |
| Federal Funds: | \$1,441,239 | | | |
| Total | <u>\$1,921,647</u> | Total | <u>\$1,921,647</u> | <u>0</u> |

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget \$480,408 of Statutory Dedicated funds and \$1,441,239 in federal grants for the LDWF Law Enforcement Division from the Port Security Grant Program of the Department of Homeland Security/FEMA. This program was created to improve the security of major ports within the United States to prevent potential terrorist attacks. As the only state-level agency with maritime security capabilities, LDWF is eligible to receive these funds. The federal funding requires a 25% match in state funding, which will be provided from the statutorily dedicated Conservation Fund. The grants will provide funding to purchase 4 rigid hull inflatable boats and 1 cabin patrol vessel, all equipped with radiation detection, surveillance, and emergency equipment to improve maritime security and hazards response capability. The LDWF Enforcement Division will assign the rigid hull inflatable boats to the Ports of Shreveport, Monroe, Baton Rouge, and New Orleans. The additional \$24,360 for the Port of Baton Rouge is to purchase 7 night vision monoculars and monocular helmet mounts. The cabin patrol vessel assigned to the Port of Plaquemines is considerably larger than the boats assigned to the other ports which accounts for the \$229,232 difference in funding.

Funding will be dispersed as follows:

| <u>Port</u> | <u>Amount</u> |
|--------------|---------------------------|
| Shreveport | \$333,611 |
| Monroe | \$333,611 |
| Baton Rouge | \$357,971 |
| New Orleans | \$333,611 |
| Plaquemines | <u>\$562,843</u> |
| Total | <u>\$1,921,647</u> |

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no significant impact on future fiscal years. There is no anticipated increase in maintenance and supply costs as the new equipment will replace the vessels currently being used and the existing maintenance budget will be utilized to maintain these vessels.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Wildlife & Fisheries

AGENDA NO.: 5

AGENCY: Office of Wildlife

ANALYST: Drew Danna

| <u>Means of Financing</u> | | <u>Expenditures by Program</u> | | <u>T. O.</u> |
|---------------------------|-------------------------|--------------------------------|-------------------------|-----------------|
| State General Fund: | \$0 | Wildlife | \$335,170 | 6 |
| Interagency Transfers: | \$0 | | | |
| Self-Generated Revenue: | \$0 | | | |
| Statutory Dedications: | \$335,170 | | | |
| Federal Funds: | \$0 | | | |
| Total | <u>\$335,170</u> | Total | <u>\$335,170</u> | <u>6</u> |

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget additional funding for the Rockefeller Wildlife Refuge & Game Preserve which will be provided by the Rockefeller Wildlife Refuge & Game Preserve Fund. The increase in funding will be used to pay \$214,730 for salaries and \$120,440 in related benefits for 6 additional biologist positions. These biologists will study the activities of the local wildlife, the migration patterns of migratory waterfowl, marsh creation and shoreline protection, and the potential impacts of coastal erosion on local wildlife. Per the deed of donation associated with this property, the LA Department of Wildlife & Fisheries (LDWF) must meet the needs of the refuge with adequate staffing levels and prompt completion of repair and improvement projects or the property can be turned over to the U.S. Fish & Wildlife Service. The requested increase in biologists was made after the Refuge recently completed its quadrennial audit by the Rockefeller Foundation which recommended hiring more biologists (6-10) to assist current biologists with their observations and data collection. If the Rockefeller refuge reverts to federal control, the state will lose access to 76,000 acres of marshland that have been used to rehabilitate the population of endangered species and study the effects of coastal erosion on local wildlife. In addition, the State will lose the funding source of the Rockefeller Wildlife Refuge Trust & Protection Fund, which allows for 1/4 of funds derived from royalties from mineral leases within the Refuge to be deposited into the trust for other LDWF purposes.

The Refuge is currently operating with 16 FTEs. It has historically operated with 34 FTEs on site. Currently, there are 5 biologists on site at the Refuge, but approval of this BA-7 will raise the number of biologists on site to 11. The positions were eliminated in the wake of hurricanes Katrina and Rita when the living quarters for employees in the area were destroyed. Now that the living quarters have been rebuilt, the agency can add additional staff.

II. IMPACT ON FUTURE FISCAL YEARS

If this BA-7 is approved, the salary and benefits of the 6 biologists will be annualized from the Rockefeller Wildlife Refuge & Game Preserve Fund in future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7.